



CITY OF ELY

501 Mill Street Ely, Nevada 89301

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ELY MUNICIPAL UTILITIES BOARD REGULAR MEETING

January 14, 2021 – Ely Volunteer Fire Hall – 499 Mill Street – Ely, Nevada.

1. Vice-Chairman Dale Derbidge called the regular meeting of the Municipal Utilities Board to order at **8:05 a.m.**, led in the Pledge of Allegiance and asked for Roll Call.

Members present:

Vice-Chairman Dale Derbidge

Chairman John O'Flaherty via Zoom

Member Ken Ross

Member Jeremy Lilly

City Officials and staff present:

Councilman Kurt Carson

City Attorney Shain Manuele

City Clerk Jennifer Lee

City Treasurer Janette Trask

City Administrative Assistant Patti Cobb

Councilman Jim Alworth

Councilman Ed Spear

City Engineer BJ Almberg

Public Works Supervisor Mike Cracraft

Also, in attendance: Members of the Public signed in (Appears below) and the following persons attended via video conference: Chairman John O'Flaherty; and RNMC Environmental Manager Frederick Parthey.

Utility Board - ATTENDANCE LIST

DATE: January 14, 2021

Print name below

Kent Lynskey
George Chachas
Ed Spear

Print name below

2. PUBLIC COMMENT:

George Chachas stated that the fire hydrant on Avenue K and Great Basin was not reinstalled back far enough to allow proper width of Avenue K when Great Basin was repaved, and curb and gutter was installed. Again code, where's your engineer? Where's your staff at? Mr Chachas stated that his billing for 490 High street has not been corrected to date. He stated he has paid his landfill fees and penalties; he states others' fees and interest have been waived and his have not and feels he has been treated unfairly. He stated he has been diligent in telling of the discrepancies but continues to get misbilled and his most recent bill was \$1,367.77; yet, he stated he pays every month and feels someone needs to be hired with a degree in accounting as required by City of Ely Code. Mr. Chachas stated there was a charge on his bill for \$746 for outside capital improvements and there has been no water on that property for years. Mr. Chachas continued with on the corner of Ogden and Crawford a new meter box was installed with a couple of bollards. Mr. Chachas asked if the City has notified Mt. Wheeler Power that they have to move some of their power poles on Murry Street in the blocks where new city sewer and water lines are going in; he stated in some areas there is not a 36" clearance for a wheelchair to pass through making it not ADA compliant and along other areas there is only 1 ½ foot way for a pedestrian to pass through without having to step out into the street, which needs to be addressed before curb and gutter is installed. Mr. Chachas stated that he has noticed many new RV's around town with possible squatters and questioned how many were billed for landfill and sewer and how many have special permits.

3. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE UTILITY BOARD

A. Consent Agenda

Motion: Move to approve the Consent Agenda item #A-1 Minutes

Moved by: Member Lilly Second by: Member Derbidge Vote: Unanimous

1. Discussion/For Possible Action – Minutes

- December 10, 2020

B. Old Business

1. Board Members – *Robinson Nevada Mining Company (RNMC)* representative – Discussion Only – Update to the Utility Board on the Robinson Nevada Development, Ruth Pit Development and water mitigation efforts within the City of Ely.

City Clerk Lee read the email appearing below into the record:

Jennifer Lee

From: Frederick Partey <Frederick.Partey@us.kghm.com>
Sent: Thursday, January 14, 2021 5:30 AM
To: Jennifer Lee
Cc: Amanda Hilton
Subject: Utility Board Meeting-1/14

Hello Jennifer,

I will not be able to attend this morning Utility Board meeting in person, I am by this email providing you an update on "Old Business" Item B 1. *Ruth Pit development and water mitigation efforts within the City of Ely.*

The mine continue to mine from the Ruth pit complex, here is the breakdown of fresh water dewatering effort from the pit.

1. About 8,119 gpm is being pumped, RW-7P account for 1,515 gpm, which is sent to the City of Ely
2. About 3,243 gpm is going into Gleason Creek
3. The rest is going to the mill for ore processing.

I should also note that the mill was down yesterday for a period of 14 hours for preventative maintenance, during this period about 8000 gpm of fresh water was discharged into Gleason Creek. Let me know if you have any questions.

Thanks,

Frederick

**Frederick Partey (Ph.D,
PMP)**
Manager Environmental Resources
Environmental Department

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Robinson Mine
P.O. Box 382, 4232 West White Pine
County Rd 44
Ruth, NV 89319 USA
www.kghm.com

RNMC Environmental Manager Frederick Partey was available for questions by Zoom; there were no questions by board.

C. New Business

1. Board Members – City Clerk Lee – Discussion/For Possible Action – Election of Chairman thru December 31, 2021.

Vice-Chairman Derbidge nominated Chairman John O’Flaherty for the position of Chairman thru December 31, 2021 as he has been doing and excellent job.

Motion: Move to approve the election of Member John O’Flaherty for the position of Chairman thru December 31, 2021.

Moved by: Member Lilly Second by: Member Ross Vote: Unanimous

2. Board Members – City Clerk Lee – Discussion/For Possible Action – Election of Vice-Chairman thru December 31, 2021.

Chairman O’Flaherty nominated Vice-Chairman Derbidge for the position of Vice Chairman thru December 31, 2021

Motion: Move to approve the election of Vice-Chairman Derbidge for the position of Vice Chairman thru December 31, 2021.

Moved by: Member Ross Second by: Member Lilly Vote: Unanimous

3. Board Members – City Engineer Almberg – Discussion/for Possible Action – Recommendation to approve Will Serve application for White Pine Corral Association for a new sewer connection at the Ely City corrals; applicant is requesting fee waiver.

City Engineer Almberg stated that the Corral Association is looking to make a small building improvement to provide services to the animals and with that they need a sewer connection for the small facilities within the building. There is already water to the facility, so this is strictly for a service connection. City Engineer Almberg recommended the approval of the connection as there is ample sewer capacity to handle it.

Kent Lynskey, President of the White Pine County Corral Association, stated that they are wanting to put in a vet building for the animals. He stated he has had to haul three horses to Salt Lake City and has only returned with one. The building would be to do surgeries and take care of animals that need care. Kent stated it was unclear if the building would be on City or County property as both have interest and he has 20-year leases with both the City and County. Mr. Lynskey stated the County Commissioners gave approval for the upgrades to the property yesterday. Mr. Lynskey stated the building will be 24’ by 24’, a permanent structure, which would be enough room to have stalls and a place to lay an animal down if needed. He also stated that in the County there is nowhere to do surgeries on large animals even though we have veterinarians here. This facility would be for any of the veterinarians to use and would not increase the cost for the owner of the animal or the veterinarian.

Member Derbidge asked if at the end of the lease, if the building would revert back to the city.

Attorney Manuele advised that it would first have to be determined if the land was indeed City or County and then yes, after the lease, it would become that entity’s property.

Member Lilly moved to recommend approval of waiving the fees for the sewer connection at the Ely City Corrals. Member Ross seconded the motion. The motion carried unanimously.

City Engineer Almberg stated that the property is outside of the city limits so the fee of \$1700.00 reflects what is charged for an in-city limit connection fee; the city limits are at Crawford Street. The fees needing to be waived will be at the County rate.

George Chachas stated that he does not have a problem with the Will Serve but he does have a problem with the waiver. He stated that he has not been paid for any corrections that he had done to 681 Parker. He stated given the fact that it is outside the city limits, they are throwing away approximately \$3000.00. He stated everyone needs to pay their fair share.

4. Councilman Carson – Discussion/For Possible Action – Recommendations for comment to be submitted on Robinson Mine expansion draft environmental impact statement.

Councilman Carson stated that the Robinson Mine is looking for another support letter for their expansion and referred to the last letter, that was sent, included in the Board Packet, and feels it is still appropriate and additional comments would be appreciated.

City Clerk Lee read the email from Alan Richards from Stetson Engineering appearing below into the record:

Jennifer Lee

From: Allan Richards <allanr@stetsonengineers.com>
Sent: Thursday, January 14, 2021 6:01 AM
To: Jennifer Lee
Subject: Re: The Bureau of Land Management seeks public review and comment on Robinson Mine expansion draft environmental impact statement

Good morning Jennifer,
As I mentioned last week, I left for a trip to Arizona on the evening your email below was received and just returned late last night. However, I did give the RNMC Plan of Operations Amendment (DEIS) a cursory review during my time out, focusing on the Proposed Action's potential impacts on water resources.

The Proposed Action would include extending the mine life an additional 4 years "to 2028" (I assume that means to December 31, 2028), resuming and expanding mining in Liberty Pit, and resuming Liberty Pit dewatering. For the Liberty Pit dewatering operations, it is stated that RNMC would "reactivate existing pumping and piping facilities including pumps and pipelines to convey Liberty Pit water to the mill for use in the process circuit" (pg. 3-21). The Proposed Action would require additional dewatering of 137 to 202 acre-feet per year (pg. 2-10).

The potential impacts to water resources (including Murry Springs) are identified in the DEIS by an area that is predicted to experience an incremental drawdown in the groundwater elevation of 10 feet or more as a result of groundwater pumping and dewatering activities associated with the proposed Liberty Pit mining expansion. The DEIS indicates that the maximum extent of the 10-foot drawdown will be limited to the Liberty Pit area with no surface waters or water rights impacted within 0.25 mile of its extent.

For the purpose of the Negotiation Committee's current efforts, extending the life of the mining operations from the end of 2024 to the end of 2028, in connection with the Liberty Pit mining expansion, presumably would require extending dewatering operations of the RW-7P well an additional 4 years which would also extend the date that the Murry Springs recovery would commence by an additional 4 years. If this presumption is confirmed with RNMC, then it may be relevant information to consider in the water supply plan modification negotiations.

Allan

RNMC Environmental Manager Frederick Partey commented that he does not have a problem with the letter as is; it is up to the Utility Board and the City of Ely. He stated he just wanted to provide perspective. He stated while we are moving to mine the Liberty pit, we should all

remember that at a point 2024, the Ruth pits will stop mining. The good news for 7-P is that once we stop mining in Ruth, we are stopping the dewatering of the 14,000 gallons that we are pumping today. We will only pump water as needed for the mill; this should be maybe between 5,000 to 8,000 gallons a minute. The Liberty pit will only be pumping 120,150 gallons or less. As far as 7-P coming back, Murry Springs coming back, this mine expansion helps that goal.

City Clerk Lee stated she would like to bring to everyone's attention that under 5.3 Coordinating Agencies that the City of Ely is not included which is a problem.

Member Lilly moved to recommend approval of comments to be submitted on Robinson Mine expansion draft environmental impact statement with the addition of adding the City of Ely as a Coordinating Agency. Member Ross seconded the motion. The motion carried unanimously.

5. Councilman Carson – Discussion/For Possible Action – Review and discussion of written notice to request extension of assignment of lease of real property dated February 11, 2010, from Robinson Nevada Mining Company to extend the lease an additional 25 years to expire February 28, 2046, including review of contract terms and recommendation on the City response to accept, reject, or amend the agreement and extension request.

Councilman Carson stated that this item came before them prior but is now getting ready to expire. The City was wanting to take over the building for the Water Department. After discussion with other members of the negotiation committee, it was agreed to recommend the approval of a 10-year lease, \$1200 annually, and that the City Water Department will occupy the building on the land.

Member Ross moved to recommend approval of extending the lease 10 years, continue with \$1200.00 annual lease, and the City Water Department occupying the building on the land for the term of the lease. Member Lilly seconded the motion. The motion carried unanimously.

6. Councilman Carson – Discussion/For Possible Action – Recommendation to approve *Stetson Engineers* Letter of Engagement for Continued Engineering Services not to exceed \$30,000.

Councilman Carson stated that Stetson Engineers have been helping with the dewatering efforts; not that they are protesting the mine or their Hydrologists, but it just helps get a clear picture of what is happening with the water table. He stated it is a big price tag but worth it to do our homework. There is no time limit on the \$30,000.00.

Member Lilly moved to recommend approval of continued Engineering Services not to exceed \$30,000.00 by Stetson Engineers. Member Ross seconded the motion. The motion carried unanimously.

7. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation to increase lien filing fee to \$74.00 due to White Pine County Recorders fee schedule.

City Clerk Lee stated this item is very straight forward. When a utility customer accrues enough to where the attorney has to file a lien on their property because of non-payment there is a lien filing fee with the County Recorder's office that has been raised to \$37.00 and then when the balance is paid off there is a \$37.00 fee to release the lien.

Member Ross moved to recommend approval of the increase to the lien filing fee to \$74.00 due to White Pine County Recorder's fee schedule. Member Lilly seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS

No reports

5. PUBLIC COMMENT:

George Chachas continued with concerns of RV's with squatters and the selective enforcement causing businesses to go out of business; Mr. Chachas asked for it to be corrected. Mr. Chachas stated the staff was incapable.

City Attorney Manuele told Mr. Chachas it is inappropriate to personally attack City staff and mentioned that what he is stating is repetitious.

George Chachas continued to question where the 490' of 16-inch steel pipe went. Mr. Chachas asked when he will be reimbursed for the expenditures for correcting the sewer problems at 681 Parker and stated he is owed \$7, 766.31 including interest. Mr. Chachas also stated that at the December 10, 2020 Utility Board meeting Councilman Alworth stated that 111 million gallons of water from the golf course has not been paid for; Mr. Chachas stated he would like that money collected and wants to see the penalties and interest.

6. ADJOURNMENT: THIS MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE MUNICIPAL UTILITY BOARD.

Vice-Chairman Derbidge adjourned the regular meeting of the Municipal Utilities Board at **8:40 a.m.**

Chairman

Attest